## SENATE BILL REPORT ESHB 2941

As Reported By Senate Committee On: Highways & Transportation, March 1, 2004

**Title:** An act relating to registration of vehicles based on residence.

**Brief Description:** Requiring vehicle registration at the residence address.

**Sponsors:** House Committee on Transportation (originally sponsored by Representatives Murray, Ericksen, Hankins, Jarrett, McDermott, Rockefeller, Morris, G. Simpson, Wood, Campbell, Sommers, Santos, Sullivan, Wallace and Clibborn).

## **Brief History:**

**Committee Activity:** Highways & Transportation: 2/25/04, 3/1/04 [DPA].

## SENATE COMMITTEE ON HIGHWAYS & TRANSPORTATION

Majority Report: Do pass as amended.

Signed by Senators Horn, Chair; Swecker, Vice Chair; Esser, Haugen, Kastama, Mulliken, Murray, Oke and Spanel.

**Staff:** Kimberly Johnson (786-7346)

**Background:** When registering a vehicle, persons must list their name and address on the application for registration. "Address" is not defined in statute and the Department of Licensing (DOL) has required by rule "any address capable of receiving mail."

In November 2002, the voters of Seattle approved a plan to develop a 14 mile long first phase of a monorail system. The primary funding source for the approved monorail system is a 1.4 percent motor vehicle excise tax imposed on motor vehicles owned by Seattle residents. The tax is to be collected when vehicles are "relicensed." The term relicensed is not defined, but has been interpreted by DOL to mean renewal.

**Summary of Amended Bill:** Cities that contain a city transportation authority are authorized to enforce a special motor vehicle excise tax levied by the city transportation authority. A city transportation authority may contract with a city to provide reimbursement to the city for tax enforcement activities.

The Department of Licensing is authorized to provide vehicle registration information to a city for tax enforcement activities related to the enforcement of a motor vehicle excise tax levied by a city transportation authority.

For purposes of vehicle registration, address is defined as "a residence address or any other address capable of receiving mail."

**Amended Bill Compared to Substitute Bill:** The striking amendment authorizes cities that contain a city transportation authority to enforce a special motor vehicle excise tax levied by

Senate Bill Report - 1 - ESHB 2941

the city transportation authority. A city transportation authority may contract with a city to provide reimbursement to the city for tax enforcement activities. The Department of Licensing is authorized to provide vehicle registration information to a city for tax enforcement activities related to the enforcement of a motor vehicle excise tax levied by a city transportation authority. For purposes of vehicle registration, address is defined as "a residence address or any other address capable of receiving mail."

**Appropriation:** None.

Fiscal Note: Available.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** Registering a vehicle to a residence address aids law enforcement efforts when attempting to locate the owner of an abandoned vehicle and when notifying next of kin in a fatal car accident. If we do not close the tax loophole, honest taxpayers will bear the burden of paying for this system. This bill helps DOL meet their statutory responsibility to collect the motor vehicle excise tax.

**Testimony Against:** This bill imposes on the rest of the state a system of vehicle registration and tax collection that is unfair. The biggest impact of this bill will be on businesses because of the requirement to register to the primary place of business. This will hurt small business. The auto dealers in this state do not want to be the residency police. This bill needs to clarify the role of the retailer.

**Testified:** Eugene Wasserman, Neighborhood Business Council (con); Jim Boldt, Washington Auto Dealers Association (con); Bruce Nurse, Kemper Development Company (con); Fred Fakkema, Washington State Patrol (pro); Tom Parker, Monorail (pro); Kevin Raymond, Monorail (pro); Jonathon Buchtor, Monorail (pro).

Senate Bill Report - 2 - ESHB 2941